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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

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COUNTRY Hungary/Poland
SUBJECT Railroad Information

REPORT

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REQUIREMENT

REFERENCES

25X1 DATE OF INFO.

PLACE ACQUIRED

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1. Priority for Material Requirements.

The reconditioning of Hungarian railroads seems to have been given priority during the last few months, and the Hungarian State Railroads (MAV) are now on the fourth place for the supply of material requirements. The present priority for material requirements is :

- a. Export and indirect export,
- b. Agriculture,
- c. Civilian requirements,
- d. Railroads,
- e. Defense.

2. Factory reserves in heavy industry are being drawn on to replenish MAV stocks, that is, 300-400 tons of unidentified material from the Ganz Railroad Car Factory, and 300-400 tons of unidentified material from Győr.

3. The MAV Directorate of Material Supply has moved from the Royal Hotel, 43 Lenin körút, Budapest, to the building on Böszörményi ut originally constructed for the Subway Trust Directorate. The premises in the Royal Hotel have been taken over by the Ministry of Light Industry.

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4. Kalocsa-Baja Line

Orders have been issued by the Minister of Mail and Communications for the construction of a new railroad line between Kalocsa and Baja, to be started in 1955.

5. Shunting Engines from Poland.

The return of the thirteen 377-type shunting engines at present in Poland has become urgent. The MAV has taken over the internal shunting service in the Diósgyőr works and is henceforth to be responsible for the same service in Ózd. These engines, although 50-70 years old, are useful and perfectly adequate for work in a small radius and arrangements are being made to send an engineer to Poland to insist on their return.

6. Repairs of Polish Railroad Cars.

In connection with the complaints made by the MAV about splits in the springs of the railroad cars supplied by Poland, a delegation of two members of Metalexport, Warsaw, has arrived in Hungary, and has arranged without argument to replace all 4,000 springs on the first consignment of 1,000 railroad cars.

7. Shortage of Tank Cars.

25X1 An unspecified number of tank cars have been hired [REDACTED] at the rate of \$ 15 per day per 20-ton car.

8. Railroad Air-Raid Shelters.

Construction of air-raid shelters in railroad station areas is completed, and no further constructions are being started for the time being. Training of personnel continues, however.

9. Coal Stocks.

Coal stocks have improved considerably since the beginning of March 1954, owing to improvement in weather conditions. The quality of the coal, however, has not improved, and Deputy Minister József Priászol remarked recently, during a conference to discuss the Zalaegerszeg peat-pakura mixture installations program, that the manufacture of this type of fuel must continue for a long time yet, since the coal supply was expected to be even worse next winter. Present reserves amount to 3½ days' operation.

10. Budapest Subway.

25X1 The 1954 budget allocates 60 million forints to this project. This sum is intended for necessary maintenance and administration only, since the whole work was stopped and almost completely dismantled. The subway now comes under MAV, which has taken over all stocks and equipment, and is using them for its own purposes.

25X1 2 [REDACTED] Comment: 60 million forints (roughly 5 million dollars) appears to be an unreasonably large sum for such purposes.

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